

and deliver me from those who have already found it."

Mr. President, I may not be absolutely right and I know that my position on this is not popular with some in my home State, but if you want to restore people's confidence in this system, you can take this first step.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas yields the floor.

Who seeks recognition?

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I noticed that we were in a quorum call.

I ask unanimous consent that I might speak as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Texas is recognized for 10 minutes.

THE PRESIDENT'S PRESS CONFERENCE

Mr. GRAMM. Today at the White House, the President made a statement in opening a press conference that I would like to respond to briefly. I respond not to be argumentative, but because if we are ever going to have a real debate about economic policy, it is important that we all use the same language, and I propose that we use English. Let me read the quote from the President, and I would like to go through and point out why we have such a problem in discussing the budget.

The President says in the transcript of his statement today in opening the news conference:

In the plan that the House passed that the Senate Finance Committee is now dealing with, for every \$10 that the deficit is reduced, \$5 comes from spending cuts; \$3.75 comes from upper-income people; \$1.25 comes from the middle class; and families with incomes under \$30,000 a year are held harmless.

Mr. President, let me remind my colleagues that when the President gave the State of the Union Address, he said, in essence: Let us not argue over whose numbers to use. Let us use the Congressional Budget Office, as an impartial arbiter of these budget numbers, for all of the scoring so we can all use the same language.

I remind my colleagues who may have forgotten that there were some on my side of the aisle who scoffed at the possibility that the Congressional Budget Office was going to be an impartial arbiter. But, nevertheless, the President made the point very clearly: Use the Congressional Budget Office as the judge and jury of his budget and all other budgets that we would consider.

How is it possible that the President continues to say that for every \$10 in deficit reduction in the budget plan that he submitted—the plan that was adopted by the House—that there is \$5 in spending cuts and \$5 in taxes. Let me quote you from the Congressional Budget Office—and I remind you that this is the institution that the President picked as the judge and jury of his budget.

The Congressional Budget Office says on page 6 of their report entitled "An Analysis of the President's February Budgetary Proposals, March 1993":

Three-quarters of the \$356 billion in cumulative deficit reduction contained in the administration's program would stem from increases in revenues, and only one-quarter from cuts in outlays.

Mr. President, this is not Phil Gramm talking. This is not Senator BOB DOLE talking. The Congressional Budget Office says that the President's plan has \$3 in taxes for every dollar of spending cuts. In fact, I know of no outside nonpartisan group in America that argues that the President's budget cuts \$1 of spending for every \$1 of taxes.

The Congressional Budget Office, which the President chose as the judge and jury, finds that the President's budget, as adopted by Congress, has in their numbers about \$3 in taxes for every \$1 in spending cuts. Yet, the President continues to talk about 50 cents in spending cuts for every dollar of taxes.

Let me explain to my colleagues very briefly why this continues to add to the confusion. When Bill Clinton ran for President, he said that he was going to cut spending \$3 for every \$1 of new taxes. That was the campaign rhetoric.

Then, when Congressman Panetta was before the Senate for confirmation and was asked about his goal in deficit reduction, he said, "\$2 in spending cuts for every dollar of taxes."

The President, in the State of the Union Address, said, "\$1 of spending cuts for every dollar of taxes." The President, today, continues to say \$1 spending cuts for every \$1 of taxes. But when the President's budget came to the Congress and was adopted, it turned out to be \$3.23 of taxes for every \$1 of spending cuts. And now we are dealing with the changes in permanent law that flow from that budget.

In fact, when the President talks about the plan that the House passed, and which the Senate Finance Committee is now considering, he is no longer talking about the budget plan; he is talking about the changes in permanent law that flow from the budget plan. And according to figures from the Congressional Budget Office, something has happened which is totally predictable. A budget that started out at \$3 in cuts for every \$1 in taxes, then became \$2 in cuts for every \$1 of taxes, and then became \$1 in cuts for every \$1 of taxes, and then became \$3.23 in taxes for every \$1 in spending cuts, guess what? Now that the House has adopted

the change in permanent law, it is \$6 in taxes—I have the Senate figure here of \$5 in taxes—for every \$1 of spending cuts.

But what the House actually adopted was the following measure, and I would like to ask the administration if I am wrong on these figures, which I am going to put in the CONGRESSIONAL RECORD. I would like them to explain to me, so that we can have a debate in English, what we are talking about.

According to the numbers that I have, as compared to the current law of the land, the bill that was adopted by the House cuts spending \$77.4 billion. It also increased spending \$31.6 billion, giving us a net spending cut of \$45.8 billion.

The President's bill has taxes of \$330.9 billion in tax increase; \$55.4 billion in tax cuts; so that the net tax increase is \$275.5 billion. User fees, which are new fees that will be paid by people who will view them as taxes, are \$15.5 billion. So when you total it up over 5 years, the bill passed in the House, as we measure it, cuts spending by \$45.8 billion and raises taxes and fees by \$291 billion.

That is a ratio of \$6.35 in taxes for every dollar of spending cuts. And it is even worse, because the House bill has all these taxes retroactive to January 1.

So if you look at the bill passed in the House year by year, we find that in 1994, there are \$20.68 of taxes and fees for every dollar of spending cuts. In 1995, there are \$9.77 of taxes and fees for every dollar of spending cuts. In 1996, there are \$8.47 of taxes and fees to every dollar of spending cuts. In 1977, \$5.52 of taxes and fees to every dollar of spending cuts. In 1998, \$4.58 of taxes and fees for every dollar of spending cuts.

Over the 5-year period that the President's economic program would be in effect, as passed by the House and now pending in the Senate Finance Committee, taxes would rise \$6.35 for every dollar of spending cuts.

How can it be that the President continues to talk about 50 cents in spending cuts for every 50 cents in taxes? I do not see any way in the world that the President can justify these numbers.

I think one of the reasons we are having such a difficult time debating these issues is that, not only has the President changed his program from what he promised in the campaign, which was \$3 in spending cuts for every dollar of taxes, but he continues to talk about \$1 of spending cuts for every dollar of taxes when, in fact, the bill that has now been adopted by the House that makes the changes in permanent law, has \$6.35 in taxes for every dollar of spending cuts. If the House bill passed and became the law of the land, and nothing else were done, we would get \$6.35 of permanent taxes for every \$1 in spending cuts and, Mr. President, I have very real doubts that even the \$1 of spending cuts will ever happen since I offered an amendment to make the

budget binding so it could be enforced, and it was rejected on virtually a party-line vote. I have to believe that the people on the Democratic side of the aisle do not intend to enforce their spending cuts. But even if everything the President has asked for is done, even if in 1997 and 1998, we made all of these spending cuts, we still are talking about a budget that has \$3 of new taxes for every dollar of spending cuts.

So I think the reason that we are having a very difficult time reaching a bipartisan consensus is we continue to talk past each other. And I thought it was important, given this new statement today, to come over to put these figures in the CONGRESSIONAL RECORD. I would like to ask the White House to explain to me how I am wrong and they are right when they continue to say that, out of every \$10 of deficit reduction in the bill that the House just passed, the so-called reconciliation bill, there is \$5 in spending cuts for every \$5 in taxes?

Mr. President, I do not believe that is the case. I do not believe anybody can justify those numbers. And the fact that the President continues to use those numbers makes it very difficult for us to have a real debate over the budget.

Let me submit the humble wish that the President would do exactly what he asked the Congress to do; and that is, let us let the Congressional Budget Office look at these numbers and tell us and the American people what the truth is. I am ready to do that. I do not believe the administration is ready to do it, because the Congressional Budget Office has already looked at their budget. Set up as the judge and jury by the President, they have found the administration guilty of not leveling with the American people about their own budget.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

AMENDMENT NO. 445

The PRESIDING OFFICER. Who seeks recognition?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma [Mr. NICKLES].

Mr. NICKLES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NICKLES. Are we still on the Shelby-McConnell-Nickles amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. NICKLES. Mr. President, I rise as a cosponsor of this amendment. I wish to compliment my colleague, Senator SHELBY, and also Senator MCCON-

NELL, for what I believe is probably the most important amendment that will be offered to this bill.

This amendment will eliminate the public subsidies for Senate campaigns.

I am shocked when I hear people discuss this bill imply that, if you are opposed to it you are against campaign reform. That is not the truth.

The facts are that this bill has the label of campaign reform, but what it really should be labeled is "the politicians' subsidy bill" or "food stamps for politicians" or "entitlements for politicians." If you look at page 17 of the leadership substitute, you will find listed several entitlements in this bill for eligible candidates.

Eligible candidates are entitled to receive the following benefits: excess expenditure amount—many people have said this is voluntary participation. But if a candidate says, "No, I do not want to participate under the Federal election system for Senators and Congressmen because I do not agree with public subsidies I do not think the taxpayers should underwrite my campaign." If I elect not to participate, and I end up spending more than the defined amount as permitted under this bill, because I have been able to raise that excess amount of money, then my opponent gets the amount of excess expenditure for every dollar I get above their spending limit. In my State, the subsidy would be \$1.2 million. That is a massive public subsidy.

You have voter communication vouchers. In my State, it is about \$600,000. I will give the specific amount. In my State, in 1996, the State of Oklahoma, voter communication vouchers are \$531,000, courtesy of the U.S. taxpayer.

I happen to disagree with that. I do not think taxpayers should be paying for that in my race. I do not want them to do it. But yet, that is what is in this bill. If you read page 17, that is what I am entitled to.

They also said I am entitled to the mailing rates provided in section 3626(e) of title 39, United States Code. It does not say it means eligible candidates are entitled to receive thousands of dollars of mail subsidies.

Why in the world Senate candidates should be entitled to mail at one-third the rate of most persons, I do not know. I do not agree with that philosophy. Yet, it is in that package.

For example, in North Dakota—North Dakota does not have a race in 1996, so we will look at the year 1998. In North Dakota, the mail subsidies—it is a small State with a small population—are \$15,000. In my State of Oklahoma, it is \$77,000. In the State of Ohio, for example, the mail subsidy is \$270,000. For the State of New York, the mail subsidy is \$456,000. For the State of California, the mail subsidy is \$740,000 in the year 1998.

My point is that there are massive subsidies in here for candidates, in mail subsidies and in voter commu-

nication vouchers, that will reach hundreds of millions of dollars.

The voter communication vouchers, I might tell my friend, the Presiding Officer, are \$574,000 in North Dakota. You might not have been aware of that. But if this bill passes, a candidate participating from North Dakota is going to get a voter communication voucher of \$574,000 if they are able to go out and buy TV time. A participating candidate can go out and communicate with the voters courtesy of the U.S. taxpayers.

I wonder how many taxpayers know they are going to be paying for that. I wonder how many taxpayers want to pay for that.

That is not all. There are additional taxpayer subsidies in this measure. How about the section dealing with independent expenditures amount. In North Dakota or in Oklahoma, if someone pays for an independent expenditure of \$19,000 during the campaign and \$1,000 in the last 30 days, then this bill provides that the U.S. taxpayer is going to have to come in and match it dollar for dollar.

It is hard to estimate how much that is going to cost. I do not know how much it is going to cost. No one in this body knows how much it is going to cost.

In other words, we are telling candidates that they are entitled to receive the identical amount of the independent expenditure amount. If the independent expenditure exceeds a certain level, then Uncle Sam is going to come in and match it.

We do not know how much that is going to cost, but it will be in the millions.

I mentioned that in my State, if you have a nonparticipating candidate, the participating candidate is going to get \$1.2 million of excess expenditure amounts. That is a massive subsidy. If I do not participate and have excess expenditures in the amount of \$1.2 million, then you are up to about \$1.9 million of U.S. taxpayers' subsidies going to an eligible candidate.

Now that is not a little subsidy. That is a massive subsidy.

Think of that: \$1.9 million of eligible subsidies if you have one participating candidate and one nonparticipating candidate.

This is not a fair shake for the taxpayers. It is almost highway robbery. We are saying that we want the taxpayers to come in and get involved in our campaigns in a big way. We think the taxpayers should subsidize our races.

I just totally disagree and I believe the American people disagree.

Instead of having this bill labeled campaign reform, it ought to be labeled for what it is: entitlements for politicians. Let us call it the way it is. Let us have people read the bill. Read the bill.

Page 17 of the bill, section 503, says: "Benefits eligible candidate entitled to receive." There they are. They are enumerated. It takes several pages to go